

LONGMONT WATER BOARD AGENDA

Monday, September 15, 2014

Service Center
1100 South Sherman Street
Longmont, CO 80501

3:00 p.m. – Water/Wastewater Large Conference Room

MEETING CALLED TO ORDER

1. ROLL CALL

2. APPROVAL OF PREVIOUS MONTH'S MINUTES

- a. July 21, 2014 – Water Board Regular Meeting

3. WATER STATUS REPORT

4. PUBLIC INVITED TO BE HEARD AND SPECIAL PRESENTATIONS

5. AGENDA REVISIONS AND SUBMISSION OF DOCUMENTS

6. DEVELOPMENT ACTIVITY

- a. Development Activity Requiring Water Board Action
 - i) None
- b. Development Activity Submitted for Water Board Information Only
 - i) North Star Annexation (revised)
Staff Contact: Ken Huson 303-651-8340, ken.huson@ci.longmont.co.us

7. GENERAL BUSINESS

- a. A Resolution of the Longmont City Council Authorizing a First Amendment to the Option Contract to Buy and Sell Real Estate between City of Longmont and Ronald A. and Tammy L. Dick (Staff will ask Water Board to forward a recommendation to City Council approving the Resolution) Staff Contact: Nelson Tipton (303) 651-8365, nelson.tipton@ci.longmont.co.us

- b. Cash-In-Lieu Review (The Board will review the current fee for cash in lieu of water rights for possible adjustment) Staff Contact: Ken Huson (303) 651-8340, ken.huson@ci.longmont.co.us

8. ITEMS FROM STAFF

- a. Flood Recovery Updates (Staff will provide a verbal update to Water Board regarding these efforts) Staff Contact: Ken Huson (303)651-8814, ken.huson@ci.longmont.co.us
- b. Windy Gap Firing Project Update (Staff will provide a verbal update to Water Board regarding this effort) Staff Contact: Ken Huson (303)651-8340, ken.huson@ci.longmont.co.us
- c. Saint Vrain Creek Flood Recovery Master Planning Update (Staff will provide a verbal update to Water Board regarding this effort) Staff Contact: Ken Huson (303)651-8814, ken.huson@ci.longmont.co.us
- d. Water Conservation Update (Staff will provide a verbal update to Water Board regarding these efforts) Staff Contact: Nelson Tipton (303)651-8365, nelson.tipton@ci.longmont.co.us

9. ITEMS FROM BOARD

- a. Review of Major Project Listing and Items Tentatively Scheduled for Future Board Meetings.

10. INFORMATIONAL ITEMS AND WATER BOARD CORRESPONDENCE

11. ITEMS TENTATIVELY SCHEDULED FOR FUTURE BOARD MEETINGS

- Cash-in-Lieu Review (March, June, September, December)

12. ADJOURN

If you need special assistance to participate in a Water Board meeting, please contact Cindy Sater at (303) 651-8817 in advance of the meeting to make arrangements.

WATER BOARD MINUTES

July 21, 2014

**Service Center Conference Room
1100 S. Sherman Street
Longmont, CO 80501**

REGULAR MEETING

The July 21, 2014 meeting of the Longmont Water Board was called to order by Chairman Bruning at 3:00 p.m. at the Service Center Water Conference Room.

1. ROLL CALL

Board Members Present: John Bruning, John Caldwell, Renee Davis, Dave Swenson and Todd Williams.

City Staff Members Present: Ken Huson, Nelson Tipton, Wes Lowrie, Kevin Boden and Cindy Sater.

Chairman Bruning welcomed new Water Board member Renee Davis.

2. APPROVAL OF PREVIOUS MONTH'S MINUTES

Motion was made by Board member Caldwell to approve Water Board's June 16, 2014 minutes as written; motion was seconded by Board member Swenson. Motion was passed unanimously 5-0.

3. WATER STATUS REPORT

On behalf of the Water Commissioner, staff member, Wes Lowrie, gave the current water status report. The Lyons gage at 2:15 p.m. today was 138 cfs with an historical average of 242 cfs on this date. Ralph Price Reservoir at Button Rock Preserve was at 6,384.7 feet equaling 13,014 acre feet, down approximately 3,183 acre feet. The call on the St. Vrain Creek is the Highland Ditch, admin no. 8004. Reservoirs in the St. Vrain system were 89 percent full on June 30th. There is currently 130 cfs being released from Ralph Price Reservoir. The level of Ralph Price Reservoir in Button Rock Preserve is being kept down in order to continue working on woody debris removal. Snow pack data is no longer being reported as the levels have melted out where the Snowtel stations are located.

4. PUBLIC INVITED TO BE HEARD AND SPECIAL PRESENTATIONS

There was no public in attendance.

5. AGENDA REVISIONS AND SUBMISSION OF DOCUMENTS

There were no agenda revisions submitted to Water Board. Staff member Nelson Tipton submitted articles from DenverPost.com pertaining to the proposed public initiatives, agenda item 8-A.

6. DEVELOPMENT ACTIVITY

A. Development Activity Requiring Water Board Action

There were no development activities requiring Water Board action this month.

B. Development Activity Submitted for Water Board Information Only

There were no development activities submitted for information to Water Board this month.

7. GENERAL BUSINESS

A. Annual Water Lease Resolution

Staff member, Nelson Tipton reviewed with Water Board the draft Council Communication and resolution authorizing the Director of Public Works and Natural Resources or his designee to enter into agreements, leases, and exchanges, concerning one-year or less water rental, surplus raw water rental and water rights during the 2015 water year. The 2015 water year begins November 1, 2014. Water Board agreed with staff recommendations that the City enter into exchange agreements and renewal of existing leases at the beginning of the 2015 water year and wait until after April 15, 2015 to determine whether to lease out additional surplus water based on the City's then existing water supply status.

A motion was made by Board member Williams for Water Board to recommend to City Council to approve the resolution authorizing the Director of Public Works and Natural Resources or his designee to enter into agreements and exchanges concerning surplus raw water and water rights during the 2015 water year. Board member Caldwell seconded the motion; motion passed 5-0.

8. ITEMS FROM STAFF**A. Proposed Public Trust Doctrine Initiatives No.89 and No.103**

Staff member, Nelson Tipton discussed *Denver Post* articles regarding the proposed Public Trust Doctrine Initiatives No. 89 and No.103. Nelson informed the Board that a decision was reached by the Colorado Supreme Court on whether the title setting for both proposed initiatives violated the single subject requirement. Initiative No.89 was approved and will move forward for signatures which will be due by August 4, 2014. Initiative No.103 will not proceed forward due to procedures not being followed correctly, with supporters planning to return in 2016.

- Initiative No.89: An amendment to the Colorado constitution concerning a public right to Colorado's environment, and, in connection therewith, declaring that Colorado's environment is the common property of all Coloradan's, e.g.
- Initiative No.103: An amendment to the Colorado constitution concerning public ownership of natural and environmental resources, and in connection therewith, creating a public trust in those resources, which include clean air, clean water, and the preservation of the environment and natural resources, e.g.

B. Colorado River Recovery Program Update

Staff member, Ken Huson reported on the Colorado River recovery project. The City of Longmont participates financially along with a group of water users through Colorado Water Congress to ensure that Longmont can continue diverting C-BT and Windy Gap water through the Colorado-Big Thompson Project system. A requirement to furnish a permanent source of water for the 15 Mile Reach near Grand Junction has been satisfied which helps fish passage along the Colorado River. A request by water users has been submitted to the Colorado Department of Natural Resources and Colorado Parks and Wildlife asking for immediate action to reduce the impacts of nonnative fish on endangered fish. Ken asked Water Board for feedback on this issue. Members of Congress have raised concerns regarding the \$400 Million allocated to the recovery efforts and whether it has increased the population of the endangered fish species since the beginning of the project.

C. Saint Vrain Creek Flood Recovery Update

Staff member, Ken Huson updated Water Board on the progress of flood recovery efforts along Saint Vrain Creek including the following topics:

- Funding sources available to repair the Saint Vrain Creek channel from Martin Street to Hover Road.

- Application for an alternate project to build a 100-year flood plain through Longmont.
- Bonus Ditch diversion relocation.
- Status of bridge replacements at Main Street, Pratt Street and Sunset Street.
- Saint Vrain Creek Recovery Master Plan.
- Road and bridge conditions up to the Button Rock area.

9. ITEMS FROM BOARD

A. Review of Major Project Listing & Items Tentatively Scheduled for Future Board Meetings

Water Board's major project listing included in the packet was reviewed.

10. INFORMATIONAL ITEMS AND WATER BOARD CORRESPONDENCE

Informational items were included in the Water Board packet.

11. ADJOURN

There being no further business to come before Water Board, Chairman Bruning asked for a motion for adjournment.

A motion for adjournment was made by Board member Swenson; the motion was seconded by Board member Williams. Motion passed 5-0.

The meeting was adjourned by Chairman Bruning, at 4:10 p.m.

The next regular meeting of the Longmont Water Board will be held on August 18, 2014, at 3:00 p.m. at the Service Center, 1100 South Sherman Street, Longmont, CO 80501.

John Bruning, Water Board Chair

Date

Cindy Sater, Recording Secretary

Date

WATER BOARD COMMUNICATION



Meeting Date: September 18, 2014

Item Number: 6

Type of Item: Development Activity

From: Wes Lowrie, Water Resources Analyst, (303) 651-8814
wes.lowrie@ci.longmont.co.us

As the Board will recall, City Council approved Ordinance O-2012-73 on October 23, 2012 which requires Water Board action during annexation review and when further raw water deficit satisfaction is required pursuant to a particular development activity. Listed below are two development activity categories; Development Activity Requiring Water Board Action and Development Activity Submitted for Water Board Information Only.

As Water Board may recall, North Star Annexation was originally reviewed by the Board on September 21, 2009. Since that time, this annexation has been revised and now includes a slightly increased total acreage amount. The historical water rights remain unchanged at 29 shares of Left Hand Ditch Company stock. As a result of the small increased acreage, the revised annexation before the Board today shows a respective slight increase in the remaining raw water deficit due at time of final plat approval.

- 6a Development Activity Requiring Water Board Action
 - i) None
- 6b Development Activity Submitted for Water Board Information Only
 - i) North Star Annexation (Revised)



North Star Annexation (Revised)
Packet Information for Water Board Review
September 18, 2014

DESCRIPTION

North Star Annexation is a 41.545 acre parcel located Northeast of Plateau Road and N 79th Street, west of Renaissance Drive and south of Clover Basin Drive.

HISTORICAL WATER RIGHTS

Historical water rights consist of 29.000 shares of Left Hand Ditch Company stock.

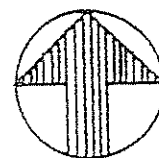
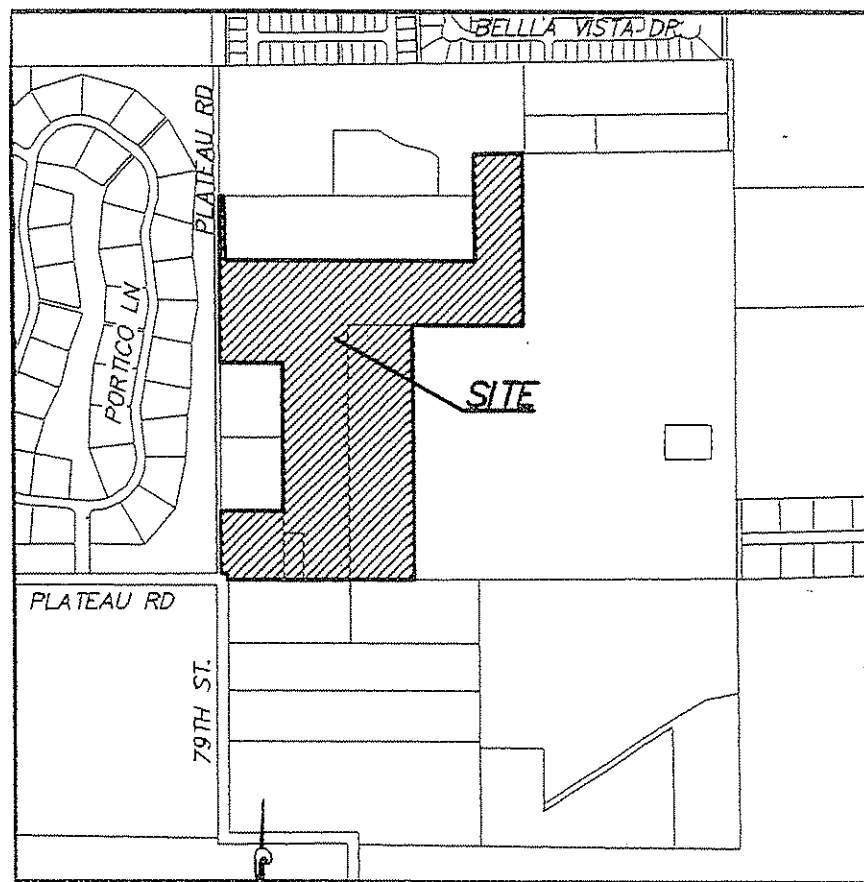
RAW WATER REQUIREMENT POLICY

Existing right-of-way includes 2.467 acres. The remaining 39.078 acres are subject to the full requirements of the Raw Water Requirement Policy. After application of the historic water rights a remaining deficit of 39.006 acre feet or 0.998 acre feet per acre of land remains in the direct flow requirement and a deficit of 39.743 acre feet of water or 1.000 of an acre foot of water per acre of land remains in the storage requirement. The total raw water deficit for North Star Annexation is 78.084 acre feet or 1.998 acre foot of water per acre of land.

POLICY COMPLIANCE

North Star Annexation will be in compliance with the City's Raw Water Requirement Policy upon transfer to the City all historic water rights at time of annexation and satisfaction of the 78.084 acre foot deficit at time of final plat approval.

North Star Annexation



NORTH

WATER BOARD COMMUNICATION



Meeting Date: September 15, 2014

Item Number: 7a

Subject: A resolution of the Longmont City Council authorizing a First Amendment to the Option Contract to Buy and Sell Real Estate between City of Longmont and Ronald A. and Tammy L. Dick.

Type of Item: General Business

From: Nelson Tipton, Water Resources Analyst, (303) 651-8365
nelson.tipton@ci.longmont.co.us
Ken Huson, (303) 651-8340, Water Resources Administrator,
ken.huson@ci.longmont.co.us

Suggested Action: Water Board review the attached resolution and recommend City Council approve the resolution of the Longmont City Council authorizing the First Amendment to the Option Contract to Buy and Sell Real Estate between City of Longmont and Ronald A. and Tammy L. Dick.

On December 10, 2001, Water Board forwarded a recommendation to City Council to approve an Option Contract to Buy and Sell Real Estate between City of Longmont and Ronald and Tammy Dick (Option Contract). This Option Contract was approved by City Council on February 26, 2002. The Option Contract allowed the City an option to buy among other things, water rights including 0.4045 shares in the Rough & Ready Irrigating Ditch Company and 0.4045 shares in the Pleasant Valley Reservoir Company (Option Contract Water Rights).

Ronald Dick recently approached Water Resources Staff to inquire if the City was interested in purchasing a portion of the Option Contract Water Rights. The offer was for the City to purchase 0.25 shares in the Rough & Ready Irrigating Ditch Company and 0.25 shares in the Pleasant Valley Reservoir Company.

The First Amendment to the Option Contract amends the Option Contract to allow City of Longmont to purchase 0.25 shares in the Rough & Ready Irrigating Ditch Company and 0.25 shares in the Pleasant Valley Reservoir Company. Attached for Water Board's review and recommendation is a resolution of the Longmont City Council authorizing the First Amendment to the Option Contract to Buy and Sell Real Estate between City of Longmont and Ronald and Tammy Dick. This item will be scheduled for City Council's review in October and/or November 2014.

Attachments:

Resolution

First Amendment to Option Contract to Buy and Sell Real Estate between Longmont and Ron and Tammy Dick

Option Contract to Buy and Sell Real Estate between Longmont and Ron and Tammy Dick



1 RESOLUTION R-2014-

2 A RESOLUTION OF THE LONGMONT CITY COUNCIL AUTHORIZING A FIRST
3 AMENDMENT TO THE OPTION CONTRACT TO BUY AND SELL REAL ESTATE
4 BETWEEN THE CITY OF LONGMONT AND RONALD A. AND TAMMY L. DICK

5 _____
6 THE COUNCIL OF THE CITY OF LONGMONT, COLORADO, RESOLVES:

7 **Section 1. Findings.** The Longmont City Council finds:

8 The City Council (the “Council”) of the City of Longmont (the “City”), a municipal
9 corporation duly organized and existing as a home-rule city under Article XX of the State
10 Constitution, acting on behalf of its water utility enterprise, is authorized, pursuant to Sections
11 1.2 and 1.3 of the City's Home Rule Charter (the “Charter”) and Section 31-15-101, et seq.,
12 C.R.S., as amended, to acquire, hold, lease and dispose of real and personal property; and

13 The City has entered into that Option Contract to Buy and Sell Real Estate with Ronald
14 A. and Tammy L. Dick (“Contract”), recorded with the Weld County Clerk and Recorder on
15 May 6, 2002 at rec. no. 2948870; and

16 It is necessary for the City to purchase certain water rights under that Contract for water
17 supply purposes; and

18 Pursuant to the terms of a First Amendment to the Contract (the “First Amendment”), the
19 City will purchase the water rights; and

20 The form of the First Amendment is on file with the City Clerk and has been presented to
21 the Council.

1 **Section 2. Authorization.** In accordance with the Charter, the Constitution and the
2 laws of the State of Colorado, the City hereby authorizes the First Amendment, in substantially
3 the form now before the Council.

4 **Section 3. Documents.** The forms, terms, and provisions of the First Amendment are
5 hereby approved and the City shall enter into the First Amendment, in substantially the form as
6 presented to the Council or authorized herein, with such changes therein as are not inconsistent
7 herewith; and the Mayor is hereby authorized and directed to execute and deliver such document
8 and the City Clerk is hereby authorized and directed to affix the City's seal to, and to attest and
9 countersign such document.

10 **Section 4. Ratification and Approval of Prior Action.** All actions heretofore taken
11 by the officers of the City and the members of the Council consistent with the provisions of this
12 Resolution, relating to the authorization and delivery of the Contract, are hereby ratified,
13 approved, and confirmed.

14 **Section 5. Severability.** If any section, paragraph, clause, or provision of this
15 Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or
16 unenforceability of such section, paragraph, clause, or provision shall not affect any of the
17 remaining provisions of this Resloution, the intent being that the same are severable.

18 **Section 6. Repealer.** The Council repeals all resolutions or parts of resolutions in
19 conflict with this resolution, but only to the extent of such inconsistency.

20
21 Passed and adopted this _____ day of _____, 2014.

22
23
24
25 _____
26 MAYOR

1 ATTEST:

2
3
4 _____
5 CITY CLERK

6
7
8 APPROVED AS TO FORM

9
10
11 _____
12 ASSISTANT CITY ATTORNEY

_____ DATE

13
14
15 _____
16 PROOFREAD

_____ DATE

17
18
19 APPROVED AS TO FORM AND SUBSTANCE:

20
21
22 _____
23 ORIGINATING DEPARTMENT

_____ DATE

24
25
26 File:
27

FIRST AMENDMENT TO
OPTION CONTRACT TO BUY AND SELL REAL ESTATE
BY AND BETWEEN
THE CITY OF LONGMONT, COLORADO, ACTING ON BEHALF
OF ITS WATER UTILITY ENTERPRISE
AND
RONALD A. AND TAMMY L. DICK

This First Amendment to the Option Contract to Buy and Sell Real Estate ("First Amendment") is made and entered into by and between the City of Longmont, Colorado, a home rule city acting on behalf of its Water Utility Enterprise (City), and Ronald A. and Tammy L. Dick (Seller) (collectively, Parties), this _____ day of _____, 2014.

RECITALS

- A. City and Seller have entered into an Option Contract to Buy and Sell Real Estate ("Contract"), recorded with the Weld County Clerk and Recorder on May 6, 2002, at rec. no. 2948870.
- B. At Contract § 2, Seller sold City an option to buy, among other things, water rights including 0.4045 shares of the Rough and Ready Irrigating Ditch Company and 0.4045 shares in the Pleasant Valley Reservoir Fish and Ditch Company.
- C. Seller now desires to sell, and the City desires to buy, 0.25 shares of the Rough and Ready Irrigating Ditch Company and 0.25 shares in the Pleasant Valley Reservoir Fish and Ditch Company.
- D. The Parties desire the City to continue to have an option to buy the remainder of the water rights included in the Contract.

AGREEMENT

In consideration of the recitals, mutual promises, and terms herein, and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree as follows:

1. Subject to the following provisions, Seller agrees to sell and convey by stock certificate to the City, with stock certificates to be in the name of City of Longmont, 0.25 shares of the Rough and Ready Irrigating Ditch Company and 0.25 shares in the Pleasant Valley

Reservoir Fish and Ditch Company. This sale and conveyance shall occur at the time of Closing.

2. The clause in § 2 of the Contract reading, “0.4045 shares of the Rough and Ready Irrigating Ditch Company and 0.4045 shares in the Pleasant Valley Reservoir Fish and Ditch Company,” is hereby amended to read: “0.1545 shares of the Rough and Ready Irrigating Ditch Company and 0.1545 shares in the Pleasant Valley Reservoir Fish and Ditch Company.”
3. The original Contract did not set a price for water rights associated with the “Property,” as defined in Contract § 2. The Contract is amended to include § 3.2 to read as follows:

The price for the shares in water and ditch companies appurtenant to or used in connection with the Property shall be \$8500 per acre foot of water right, per the August 20, 2014 Dick Water Rights appraisal performed by McCarty Land & Water Valuation, Inc.

4. Based on City of Longmont’s Rough & Ready Irrigating Ditch Company average irrigation yield of 59.96 acre-feet per share, 0.25 shares equates to 14.99 acre feet. Based on City of Longmont’s Pleasant Valley Reservoir Fish and Ditch Company average irrigation yield of 37.16 acre-feet per share, 0.25 shares equates to 9.29 acre feet.
5. Therefore, in accordance with the added Contract § 3.2, the purchase price for the 0.25 shares of the Rough and Ready Irrigating Ditch Company sold and conveyed pursuant to this First Amendment shall be \$127,415, and the purchase price for the 0.25 shares of the Pleasant Valley Reservoir Fish and Ditch Company sold and conveyed pursuant to this First Amendment shall be \$78,965.
6. The City retains the right to exercise its option for the Property and the remainder of the water rights appurtenant to or used in connection with the Property, pursuant to the Contract. All other provisions of the Contract shall remain in force and effect.
7. At least 10 days prior to Closing, Seller shall provide to the City an affidavit attesting to the historic decreed use made of the water rights over an extended period of time (not less than 10 years of actual use), including a description of the amount, location, type and period of such use, and the number of acres and type of crops irrigated with such water rights.
8. Any tribunal enforcing this First Amendment shall construe it as to its fair meaning, and not for or against any party based on attribution to either party of the language in question.
9. The parties agree to execute any additional documents necessary to carry out the purposes of this First Amendment, consistent with its terms.

10. This First Amendment completely integrates all understandings between the parties. No prior or contemporaneous addition, deletion, or other amendment shall have any force or effect unless part of this First Amendment.
11. This First Amendment is for the sole benefit of and binds the parties, their successors and assigns. This First Amendment affords no claim, benefit, or right of action to any third party. Any party besides City or the Seller receiving services or benefits under this First Amendment is only an incidental beneficiary.
12. Closing shall take place [CLOSING DATE], or another time, date and location mutually agreed upon by both parties.
13. Sellers warrant and represent that they own good and marketable title to the water rights, free and clear of all liens, encumbrances, prior obligations, and adverse claims of any person, leases or interests.
14. Seller's warranties and obligations under the Contract, including but not limited to Contract § 12, are incorporated into this First Amendment and apply to the water rights conveyed herein.
15. Historically, 0.4045 shares in the Rough and Ready Irrigating Ditch Company and 0.4045 shares in the Pleasant Valley Reservoir Fish and Ditch Company irrigated 29 acres of the Sellers property. As it pertains to the Rough and Ready Irrigating Ditch Company shares only, the seller agrees not to irrigate more than 11 acres with their remaining 0.1545 shares.

CITY OF LONGMONT, COLORADO, ACTING ON BEHALF OF ITS WATER UTILITY ENTERPRISE:

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

ASSISTANT CITY ATTORNEY

DATE

PROOFREAD

DATE

APPROVED AS TO FORM AND SUBSTANCE:

PUBLIC WORKS & NATURAL RESOURCES

DATE

DRAFT

SELLERS:

RONALD A. DICK
Seller

TAMMY L. DICK
Seller

Sellers' mailing address: 13000 Weld County Road #1, Longmont, CO 80504

ACKNOWLEDGMENT

STATE OF COLORADO)
) ss
COUNTY OF _____)

The foregoing instrument was sworn to and acknowledged before me this _____ day of _____, 2014 by Ronald A. and Tammy L. Dick, Seller.

Witness my hand and official seal.

My Commission Expires _____

Notary Public

OPTION CONTRACT TO BUY AND SELL REAL ESTATE

BY AND BETWEEN

THE CITY OF LONGMONT, COLORADO, ACTING ON BEHALF

OF ITS WATER UTILITY ENTERPRISE

AND

RONALD A. AND TAMMY L. DICK

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1 SELLER DEFINED. As used in this Contract, the term, Seller, includes, jointly and severally, every person named below as a Seller. Singular references to Seller include the plural and plural references to Sellers include each individual Seller.

2 RECEIPT & PROPERTY. Subject to the following provisions, in consideration for the sum of two thousand dollars (\$2,000.00), receipt of which is hereby acknowledged by the Seller, the City of Longmont, Colorado, a home rule city acting on behalf of its Water/Wastewater Enterprise (hereafter the "City" or "Purchaser"), shall have the option to purchase for water supply purposes and not for park purposes and, upon the exercise of such option, Seller named below shall be obligated to sell, the following described real estate in the County of Weld, Colorado (the "Property"), to wit:

Lot "B" of Recorded Exemption No. 1207-30-3-RE-633, recorded October 21, 1983 in Book 1011 as Reception No. 01944342, being a portion of the Southwest Quarter of Section 30, Township 3 North, Range 68 West of the 6th P.M., County of Weld, State of Colorado, also known as 13000 Weld County Road #1; as described property is amended by Boundary Agreement between Ronald and Tammy Dick and the Union Reservoir Company, said agreement recorded at Weld County Clerk and Records Office on February 6, 2002, Reception #2923181.

together with all easements and rights of way appurtenant to the Property, and all improvements on the Property; together with:

all fixtures of a permanent nature now on the Property, except as this Contract otherwise states, in their present condition, ordinary wear and tear excepted (also called the Property);

together with all water, water rights, ditches and ditch rights, including shares in water and ditch companies appurtenant to or used in connection with the Property, including, but not limited to the following:

0.4045 shares of the Rough and Ready Irrigating Ditch Company and 0.4045 shares in the Pleasant Valley Reservoir Fish and Ditch Company;

together with all minerals of whatever kind or character in, under, and upon or that might be produced from the Property (including any rights and royalties under any mineral leases).

3 PRICE. The purchase price shall be 50% of the appraised value of the Property determined by appraisal, said appraiser to be jointly selected by the Seller and Purchaser. The cost of the appraisal shall be shared evenly by the parties. Payments shall be due and payable by City of Longmont check at closing.

3.1 The price includes payment for the following personal property:

None,

to be conveyed by bill of sale at time of closing in their present condition, free and clear of all personal property taxes, liens and encumbrances, except:

None.

4 EXERCISE OF OPTION. Upon twelve (12) months written notice to Seller, Purchaser may exercise its option to purchase the Property. Upon giving such notice the Parties shall select an appraiser as set forth above. Purchaser will not exercise this option until it has applied for a permit from the State Engineers Office for the enlargement of Union Reservoir. If at any time prior to exercising the option pursuant to this Contract, Purchaser requests to purchase the 30' ROW reservation for County Line Road #1, as reserved on the recorded Exemption plat #633 for this parcel (the "ROW"), then the Seller, after receiving payment shall convey the ROW to the Purchaser. The purchase price for the ROW shall be 50% of the appraised value of the ROW determined by appraisal, said appraiser to be jointly selected by the Seller and Purchaser. The cost of the appraisal shall be shared evenly by the parties and payment shall be due and payable by City of Longmont check at closing.

5 CLOSING. After Purchaser exercises its option to purchase the Property as described above, the parties shall close this Contract within 60 calendar days of the completion of the appraisal and, if Purchaser so chooses, a Phase I Environmental Evaluation of the Property, on a date to which the parties may agree. Purchaser shall set the hour and place of closing. Except as otherwise agreed, Purchaser shall pay the cost of the Phase I Environmental evaluation and any closing or escrow costs or fees, including costs of drafting the deed of conveyance, documentary stamps and recordation.

6 TITLE INSURANCE. At least twenty (20) days before closing, Purchaser may secure, from a title insurer of Purchaser's choosing, and at Purchaser's sole expense (including any necessary surveying expenses), a current ALTA owner's title insurance commitment for the Property, accompanied by copies of all instruments and documents identified as creating insurance exceptions (Title Documents), and a current Treasurer's Certificate of Taxes due on the Property. The title insurer shall commit to delete from the policy its standard printed insurance exceptions concerning interests or claims not of record; easements or encumbrances not of record; unpatented mining claims, reservations or exceptions; liens for labor, service, or materials not of record; details reflected by a survey and inspection of the Property; and defects or encumbrances created or appearing of record after the title insurance commitment. Purchaser shall give Seller written notice of unmerchantable title or of any other unsatisfactory title condition shown by any new, revised or updated title insurance commitment or Title Documents within 10 days after receiving the title insurance commitment and any referenced Title Document, or by the closing date.

- 6.1 Right to Cure. If Purchaser gives notice of unmerchantable title or any other unsatisfactory title condition as provided above, Purchaser, at Purchaser's sole option, may either terminate this Contract or require Seller to use reasonable efforts to correct said unsatisfactory title condition(s) before the closing date. If Seller, after notice that Purchaser requires it, fails to cure unsatisfactory title condition(s) by the closing date, this Contract shall terminate, unless Seller receives Purchaser's written notice, by the closing date, that Purchaser waives its objection, and elects to close this Contract. If Purchaser terminates this Contract under this paragraph, Seller and closing agent shall promptly refund all amounts paid by Purchaser toward the Purchase price, Purchaser may terminate the water service ("Water Service") to be provided to Seller pursuant to a Contract for Conservation Easement between the parties, pursuant to the Additional Provisions below, and the parties shall have no further obligation or liability to each other. Purchaser may, at its sole option and its sole expense, either purchase or decline the title insurance under this paragraph.
- 7 TITLE AND EXCEPTIONS. Except as stated in this Contract, Title shall be good and merchantable in Seller. After Purchaser exercises its option to purchase the Property as described above and subject to Purchaser's payment or tender, as above provided, and Purchaser's compliance with the other terms of this Contract, Seller shall execute and deliver to Purchaser a good and sufficient general warranty deed, in a form acceptable to the Purchaser by the closing date, conveying the Property free and clear of all taxes and liens (including liens for special improvements installed as of the date of Purchaser's signature on this Contract, whether assessed or not) and other encumbrances, but subject to applicable building and zoning regulations.
- 8 ENCUMBRANCES. Closing agent may use the proceeds of this transaction or any other Seller's funds to remove any encumbrance not permitted by this Contract at closing. However, if the total obligations secured by liens or encumbrances exceed the purchase price, then this Contract, at the election of Purchaser, shall become void and of no effect. Such election shall release each party from their respective obligations to buy and sell, and Seller and closing agent shall return to Purchaser all payments and other things of value given under this Contract.
- 9 CLOSING ADJUSTMENTS. The closing agent shall apportion general taxes for the year of closing (based on the most recent levy and the most recent assessment) to date of delivery of deed. Closing agent shall deduct from Seller's funds, and pay to the County Treasurer under C.R.S. 39-3-132, Seller's prorated share, based on the prior year's taxes. The proration shall be a final settlement of taxes. Purchaser shall be responsible for any sales and use tax that may accrue because of this transaction.
- 10 POSSESSION. Purchaser shall take possession of the Property upon closing.
- 11 DEFAULT. Time is of the essence. If any note or check given as earnest money or any other payment due under this Contract is not paid, honored or tendered when due, or if any party fails to perform any other obligation under this Contract, the parties shall have the following remedies:

11.1 IF PURCHASER DEFAULTS, then Purchaser shall forfeit to Seller all payments and things of value given under this Contract, including interest accrued on the escrowed earnest money and part payment, and both parties shall then be released from all further obligations under this Contract. In such event the Water Service shall be terminated. Such payments and things of value forfeited are LIQUIDATED DAMAGES and not a penalty and, except as this Contract otherwise expressly states, are Seller's SOLE AND ONLY REMEDY for the Purchaser's failure to perform under this Contract. Seller expressly WAIVES THE REMEDIES OF SPECIFIC PERFORMANCE AND ADDITIONAL DAMAGES.

11.2 IF SELLER DEFAULTS, Purchaser may, in its sole discretion: (1) treat this Contract as terminated, in which case Seller and closing agent shall return all payments and things of value given hereunder (including interest accrued on the part payment) to Purchaser and Purchaser may terminate the Water Service and pursue and recover such damages as may be proper; or (2) treat this Contract as in full force and effect, in which case Purchaser shall have the right to specific performance or damages, or both; or (3) begin eminent domain proceedings and claim full credit against any just compensation award for any payments or things of value given under this Contract. If the Purchaser pursues eminent domain, this Contract shall conclusively establish good faith negotiations between the parties, and Purchaser's inability to obtain the Property through such good faith negotiations. The entire just compensation for taking the subject property, including any damages to any remainder of Seller's property, shall be the purchase price in this Contract and, upon deposit of that price, Purchaser shall have immediate possession of the property.

12 SELLER'S WARRANTIES. Except as this Contract otherwise expressly states, Seller represents and warrants, as of Seller's signature, and as of the closing date, that the following are true and correct:

12.1 AUTHORITY. Seller has the full right, power and authority to transfer and convey the Property, as provided in this Contract, and to carry out Seller's obligations under this Contract and Seller, if not a natural person, is a corporation, partnership, limited partnership, limited liability company or other entity validly existing and in good standing under the laws of the State of Colorado, and that Seller's signature below is fully authorized and binding upon Seller;

12.2 CONTRACT NOT PROHIBITED. Neither the execution of this Contract nor its consummation constitutes, or will result in, any breach of any of the terms, conditions or provisions of, or is a default under, any indenture, charter, bylaw, mortgage, loan agreement, lien, lease, license, judgment, decree, order, instrument or other verbal or written agreement, covenant or restriction to which Seller is a party or is subject or to which the Property is subject;

12.3 TITLE. Seller has good and merchantable title to the Property and all the assets, properties, rights and interests pertaining to the Property, free and clear of all liens and encumbrances, except as provided herein, and there exist no restrictions on the right of

Seller to transfer the Property and to convey good title to Purchaser according to this Contract;

12.4 DOCUMENTS. Every document, schedule, item and other information Seller has delivered or will deliver or make available to the Purchaser for inspection under this Contract will be true, accurate and correct;

12.5 NO SPECIAL ASSESSMENTS. No special assessments now burden or encumber the Property and Seller knows of no special assessments currently proposed for the Property;

12.6 NO LEASES. Except as provided in this Contract, no leases, tenancies or rental agreements cover any part of the Property that Seller cannot lawfully terminate before the closing date provided in this Contract;

12.7 NO EASEMENTS. Seller has not granted or created, and has no knowledge of any third parties who may have the right to claim or assert any easement, right-of-way or claim of possession not shown of record, whether by grant, prescription, adverse possession or otherwise, as to any part of the Property;

12.8 NO LITIGATION. There is no litigation pending (or to Seller's knowledge threatened) against or concerning any part of the Property; nor does Seller know of or have reasonable grounds to know of any basis for any such action;

12.9 NO CONDEMNATION. Seller has no knowledge of any pending or threatened condemnation or eminent domain proceeding concerning any part of the Property, except by Purchaser;

12.10 NO VIOLATIONS OF LAW. Seller has received no notice of, and to the best of Seller's knowledge, there are no violations of any laws, orders, regulations or requirements of any governmental authority affecting any part of the Property;

12.11 NO COVENANT VIOLATIONS. Seller has received no notice of default or breach under any covenant, condition, restriction, right-of-way or easement affecting any portion of the Property; no such default or breach now exists or will exist on the date of closing; and no event has occurred and is continuing which, with or without notice or the passage of time, will constitute such a default or breach.

13 POLLUTION. Seller warrants as follows:

13.1 NO LANDFILL. No part of the Property has ever been used as a landfill, and no materials have ever been stored or deposited upon the Property that would, under any applicable governmental law or regulation require treatment of the Property or removal of materials from the Property before use of the Property for any otherwise lawful purpose;

13.2 NO POLLUTION. (i) the Property is not contaminated with any hazardous substance; (ii) Seller has not caused and will not cause, and to the best of Seller's knowledge, there has never occurred, the release of any hazardous substance on the Property; (iii) the Property is not subject to any federal, state or local "superfund" lien, proceedings, claim, liability or action, or the threat or likelihood thereof, for the cleanup, removal, or remediation of any such hazardous substance; (iv) there is no asbestos on the Property, the Property complies with the requirements of the Occupational Health and Safety Administration of the U.S. Department of Labor (OSHA) asbestos standards, and Seller will, at least twenty days before closing, provide Purchaser all records the OSHA asbestos standards (29 C.F.R. Parts 1910, 1915, and 1926) require; (v) there is no underground storage tank on the Property; (vi) by acquiring the Property, Purchaser will not incur or be subject to any "superfund" liability for the cleanup, removal or remediation of any hazardous substance from the Property or any liability, cost, or expense for the removal of any asbestos or underground storage tank from the Property. The terms "hazardous substance", "release" and "removal" shall have the same meaning and definitions as in 42 U.S.C. Section 9601; provided, however, that the term "hazardous substance" as used herein also shall include "hazardous waste", as defined in 42 U.S.C. Section 6903 and "Petroleum", as defined in 42 U.S.C. 6991. The term "superfund" means the Comprehensive Environment Response, Compensation and Liability Act, as amended, Title 42 U.S.C. Section 9601, et seq., as amended, and any similar state statute or local ordinance applicable to the Property, and all rules and regulations promulgated, administered or enforced by any governmental agency or authority. The term "underground storage tank" shall have the same meaning and definitions as in 42 U.S.C. Section 6991.

14 INDEMNIFICATION. Seller will indemnify, defend, and hold Purchaser harmless from and against all claims, demands, liabilities, damages, suits, actions, judgments, fines, penalties, losses and expenses (including, without limitation, attorney fees) arising or resulting (directly or indirectly) from the untruth or inaccuracy of any representations or warranties or the breach of any covenants or warranties. Purchaser will, to the full extent allowed by law, indemnify, defend, and hold Seller harmless from and against any claims, demands, liabilities, damages, suits, actions, judgments, fines, penalties, losses, and expenses (including, without limitation, attorney fees) arising or resulting from, or suffered, sustained or incurred by Purchaser as a result (direct or indirect) of Purchaser's occupancy of the Property before title vests in Purchaser.

15 CASUALTY. In case of substantial damage to the Property by fire, flood or casualty between the date of this Contract and the date of closing, Purchaser may declare this Contract void and of no further force or effect; and the parties to this Contract shall be released from all obligations under this Contract; and Seller and closing agent shall refund to Purchaser the full amount paid to Seller.

16 TERMINATION. Besides all other rights and remedies of the Purchaser and Seller, as stated in this Contract, Purchaser shall have the right to terminate this Contract and the Water Service if any representations or warranties of Seller stated in this Contract are not true and correct as of the closing date.

17 REAL ESTATE COMMISSION. Purchaser shall incur no real estate commission due upon closing, or as a condition of closing.

18 PROPERTY TO REMAIN UNENCUMBERED. Seller will not, while this Contract is effective, encumber or burden any part of the Property.

19 CONTRACT TO SURVIVE CLOSING. Except such of the terms, conditions, covenants and agreements under this Contract which are, by their very nature, fully and completely performed upon the closing of the purchase and sale, all of the terms, conditions, representations, warranties, covenants and agreements stated in this Contract shall survive the closing and shall continue, after closing, to be binding upon and inure to the benefit of the parties, their heirs, successors and assigns.

20 ADDITIONAL DOCUMENTS. The parties agree to execute any additional documents necessary to carry out the purposes of this Contract, consistent with its terms, including, but not limited to assignments of all rents and royalties under any existing mineral or other leases. In addition, for any lease permitted under this Contract, Seller will furnish Purchaser, before closing, with estoppel certificates from each tenant, verifying the terms of the lease, that the lease is in good standing, and that neither party to the lease is in default.

21 TIME FOR ACCEPTANCE. If Seller accepts this proposal in writing and Purchaser receives notice of such acceptance by February 21, 2002 and the Longmont Mayor, for the Purchaser, signs this proposal by March 15, 2002, this document shall become a Contract between Seller and Purchaser and shall inure to the benefit of the heirs, successors and assigns of the parties. Otherwise, Seller shall promptly return the earnest money tendered with this document.

22 GOVERNING LAW. The law of the State of Colorado shall govern interpretation, construction and enforcement of this Contract.

23 CONSTRUCTION. In this Contract, words of the masculine gender include the feminine and neuter gender and words of the neuter gender refer to any gender. Words in the singular include the plural and *vice versa*. This Contract shall be construed according to its fair meaning, as if prepared by both parties, and not in favor of or against either party. This document and any other documents incorporated by reference contain the entire understanding and agreement between the parties. There are no other terms, conditions, promises, understandings, statements or representation, expressed or implied, concerning the subject of this Contract unless stated in writing and signed by both parties.

24 INSPECTION. The Purchaser or any person Purchaser designates may make inspections of the physical condition of the Property and the improvements, at Purchaser's expense. Such inspections may include, but are not limited to, inspections for appraisal and compliance with environmental protection, pollution or land use laws, ordinances, rules, and regulations and for the disposal or existence, in or on the Property, of any pollution or hazardous substance. Such inspections may include reasonable sub-surface boring and excavation. If Purchaser gives written notice of unsatisfactory condition of the physical condition of the Property and any

improvements, as determined in Purchaser's sole discretion, by five days before closing, Seller shall either cure such conditions, or this Contract shall then terminate. Upon such termination, Seller and closing agent shall return to Purchaser all payments and things of value received hereunder by Seller, including interest accrued on the escrowed earnest money and part payment. Purchaser is responsible and shall pay for any physical damage to the Property and the improvements as a result of such inspections.

25 SUBDIVISION. Purchaser shall seek and obtain, before closing, any subdivision exemptions or other government approvals necessary for legal conveyance, according to this Contract and shall record the approved subdivision plat or other approval documents according to law. Seller shall, at no additional expense to Seller, cooperate with the Purchaser in securing such approvals, including, without limitation, timely signing all applications, submittals, maps, plats, deeds or other documents requiring Seller's signature. Purchasers may, at its sole option, postpone the closing date specified above up to one hundred and eighty days after the date of the last signature to this Contract, to obtain any such necessary exemptions or approvals. If it has not secured necessary exemptions or approvals within that time, Purchaser may either terminate this Contract, or institute eminent domain for the Property and obtain a court order under § 30-28-101(c) II C.R.S., claiming a credit against any compensation award for any payments or things of value given under this Contract.

26 SELLER'S WARRANTIES SUBJECT TO PURCHASER'S ACTIONS. Seller's warranties are subject to any encumbrances, restrictions, and rights to possession or exceptions to title created by Purchaser.

27 ADDITIONAL PROVISIONS.

27.1 CONTRACT FOR CONSERVATION EASEMENT

This Contract is conditional upon the parties executing a Contract for Conservation Easement in substantially the form as on attached Exhibit A, to be executed simultaneously with this Contract. If the parties do not execute the Contract for Conservation Easement, then this Contract shall be null and void and neither party shall have any further liability hereunder.

27.2 RIGHT OF FIRST REFUSAL

In the event the Seller desires to sell the Property before Purchaser exercises the option granted under this Contract and receives a bona fide third party arms length offer for such sale, the Property shall be offered to the Purchaser who shall have a first right to purchase the Property for the same terms and conditions as the bona fide offer or for an amount and terms equally acceptable to the Seller. Written notice of such bona fide offer shall be given to the Purchaser who shall have forty-five (45) days from the date of receipt of the written notice to accept such offer, and if not accepted, the sale may be made to such third party purchaser. Notwithstanding Seller's right to sell the Property pursuant to this sub-paragraph, Sellers must hold title to the Property as one agricultural unit and may not convey any portion of the Property or divide the Property in any way, without the express prior written consent of the Purchaser.

Pursuant to Colorado Revised Statute Section 15-11-1102(1) (a) and (b), if the right of first refusal conveyed to the Purchaser under this Contract does not vest within 90 years after the date of execution of this Contract by both parties, said interest shall automatically be severed from the remainder of the interests conveyed herein and shall automatically terminate.

27.3 INSURANCE PROVISIONS

Seller agrees to maintain, at sellers sole cost, insurance at 125% of the value of all structural improvements on the estate, for the entire duration between the time Seller and Purchaser close on the Conservation Easement until the fee title to the Property is acquired by Purchaser pursuant to this Contract. The insurance policy shall include Purchaser as an additional insured, with a 30-day advance notice of cancellation clause.

Seller shall also purchase and maintain for the entire duration between the time Seller and Purchaser close on the Conservation Easement until the fee title to the Property is acquired by Purchaser pursuant to this Contract, at the Sellers sole expense, insurance policies providing coverage as follows:

General liability insurance, including coverage for bodily injury and property damage resulting from livestock, contractual liability, broad form property damage, with minimum coverage and owner/contractor's protective coverage--with minimum coverage of not less than the maximum amount that may be recovered against the City under the Colorado Governmental Immunity Act for (a) any injury to one person in any single occurrence (currently \$150,000.00), and (b) any injury to two or more persons in any single occurrence (currently \$600,000.00).

Only insurance companies with authority to issue policies in Colorado shall provide insurance coverage under this Agreement.

For the term of this Agreement, the Seller shall not cancel, materially change, or fail to renew the insurance coverage, and agrees to notify Purchaser of any material reduction or exhaustion of aggregate policy limits. If the Seller fails to purchase or maintain the insurance coverage stated in this Agreement, Purchaser shall have the right to procure such insurance coverage at Sellers expense.

27.4 BASIS OF APPRAISALS

The basis of methodology for all appraisals to be completed for the purposes of this Contract shall not include the value of provision of Water Service to the estate. For the purposes of appraisals, it shall be assumed the estate is served by the current well, or will require extension of service from the Longs Peak Water District.



2948870 05/06/2002 10:21A JA Suki Tsukamoto
11 of 44 R 220.00 D 0.00 Weld County CO

27.5 TERMINATION OF WATER SERVICE

In the event that this Contract is terminated by either party for any reason, in addition to any other remedies provided herein the Purchaser may terminate the Water Service to be provided by the City pursuant to the Contract for Conservation Easement.

Dated this 20th day of February, 2002.

WATER BOARD COMMUNICATION



Meeting Date: September 15, 2014

Item Number: 7b

Subject: Cash In Lieu Valuation

Type of Item: General Business

From: Ken Huson, Water Resources Administrator (303-651-8340)
ken.huson@ci.longmont.co.us
Wes Lowrie, Water Resources Analyst (303-651-8314)
wes.lowrie@ci.longmont.co.us

Suggested Action: Review and if necessary make recommendation to City Council regarding adjusting the current fee for cash-in-lieu of water rights received.

As Water Board will recall, on May 20, 2014 City Council approved Resolution R-2014-51 establishing the fee for cash in lieu of water right received at the current \$10,800.00 per acre-foot.

In addition, Chapter 14.05.070 of the Longmont Municipal Code reads in part "...The per acre-foot fee for cash in lieu of water rights transfers will be reviewed by the water board at least quarterly at its meetings in March, June, September and December. The basis for the water board recommendation shall include the current cost of new water supply projects identified in the City of Longmont's Raw Water Master Plan, the current market value associated with the purchase of units of Colorado-Big Thompson water, and the current market value of non-historical native basin water rights identified in section 14.05.060. Recommendations to adjust the fee will be forwarded to city council if the need for such adjustment is indicated..."

On June 16, 2014 Water Board reviewed this fee and determined no change was warranted.

September represents the normally scheduled quarterly Cash in Lieu review period. A summary of the cash in lieu review criteria follows:

Criteria	Details (1)	Cost/AF
1. Native Basin Water Rights	Lake McIntosh: \$9,434 / AF Longmont Supply: No current data	\$ 9,434



Transactions (based upon credited average yield)	Oligarchy Ditch: No current data Highland Ditch: No current data Rough and Ready Ditch: No current data Union Reservoir: No current data	
2. Construction Cost for New Water Supply	Water Conservation: \$ 9,000 / AF Windy Gap Firming Project: \$8,750 / AF Union Enlargement & Pumpback Pipeline: \$11,600 / AF Button Rock Enlargement: \$13,900 / AF	\$ 10,800
3. C-BT allotment unit transfer costs	May – 163 units @ average \$30,874 / AF June – 252 units @ average \$30,613 / AF July – 119 units @ average \$32,397 / AF	\$ 31,090

(1) Credit yield per share:

Lake McIntosh Res.	0.53 AF/share
Longmont Supply D.	27.89 AF/share (direct), 16.74 AF/share (storage)
Highland Ditch	24.07 AF/share (direct), historical water only
Pleasant Valley Res.	25.4 AF/share
Rough and Ready D.	59.96 AF/share (direct), 38.43 AF/share (storage)
Union Reservoir	15.3 AF/share

As part of the most recent Water Board and City Council action regarding setting the fee for cash-in-lieu of water rights dedication, the above three criteria were evaluated. At that time it was determined that because the City was not actively in the market to purchase native basin water rights, as the majority of those which Longmont would accept already reside within the Longmont Planning Area and will be transferred to the City at time of annexation or development pursuant to the Raw Water Requirement Policy, this criteria would continue to be monitored but would not play a significant role in the setting of the cash-in-lieu fee.

Likewise the C-BT allotment unit transfer costs criteria would also continue to be monitored but would not play a significant role in the setting of the cash-in-lieu fee until that time when Longmont determined that purchase of these rights were being planned.

It was therefore determined that the construction cost for new water supply criteria would be the leading criteria used in setting the cash-in-lieu fee. Since Water Board's last evaluation of this fee, the construction cost for new water supply has only changed by the construction cost index.

Water Resources staff will be available to help answer any specific questions which the Board may have regarding this information.

WATER BOARD COMMUNICATION



Item Number: 9a

Subject: Review of Major Projects Listing and Items Tentatively Scheduled
for Future Board Meetings

Type of Item: Informational

From: Water Board

Suggested Action: N/A

Attached is a copy of the most recent Water Board project status report. Please note the report now includes expected future review date information for each item.



WATER BOARD PROJECT STATUS REPORT

	<u>ITEM</u>	<u>MOST RECENT WATER BOARD REVIEW DATE</u>	<u>PROJECTED NEXT WATER BOARD REVIEW DATE</u>	<u>MOST RECENT ACTION TAKEN AND/OR PROPOSED FUTURE ACTION</u>
1	Union Reservoir Enlargement Land Acquisition Program	December 20, 2010	As Needed	Acquisition of Bogott property December 2010.
2	Water Supply and Drought Management Plan	April 21, 2014	April 20, 2015	2013 Plan approved by City Council on May 7, 2013. Recommended Sustainable Conservation Level be followed.
3	Windy Gap Firing Project	June 16, 2014	As Needed	Final EIS Release November 30, 2011, Grand County 1041 Permit issued on December 4, 2012.
4	Water Legislation & Guiding Water Principles	May 19, 2014	November 17, 2014	Review of current 2014 legislation issues presented and discussed.
5	Cash-In-Lieu Review	September 15, 2014	December 15, 2014	Currently at \$10,8000 per Acre-Foot. Resolution R-2014-51.
6	Button Rock Preserve & Forest Stewardship	March 17, 2014	January 26, 2015	2014 Annual update was presented to Water Board on March 17, 2014.

Tentative Future Event Schedule

Event	Date
South Platte Forum	October 22-23, 2014

Water Board Member Terms

John Caldwell - 2015
John Bruning - 2016
Todd Williams - 2017
David Swenson - 2018
Renee Davis - 2019

Updated: September 3, 2014

WATER BOARD COMMUNICATION



Meeting Date: September 15, 2014

Item Number: 10

Type of Item: Informational Items & Water Board Correspondence

Attached are information items and Water Board correspondence.



Cindy Sater

From: Ken Huson
Sent: Friday, July 25, 2014 7:59 AM
Cc: Sean Cronin
Subject: FW: Headwaters - Flooded and Coming Back Smarter

Board members,

FYI

Please see the attached e-mail from Sean Cronin (Saint Vrain and Left Hand Water Conservancy District) highlighting the latest copy of the Headwaters magazine.

Thanks, Ken

From: Sean Cronin [<mailto:sean.cronin@svlhwcd.org>]
Sent: Thursday, July 24, 2014 4:34 PM
To: Ken Huson
Subject: Headwaters - Flooded and Coming Back Smarter

Ken,

I thought you might appreciate this note from my President and the link to the Colorado Foundation For Water Education – Headwaters Magazine that has some excellent articles on the September 2013 flood. Please consider forwarding to your Water Board.

Greetings,

Take a look at the current issue of Colorado Foundation for Water Education **Headwaters** magazine dedicated to the September 2013 Flood. The Flood left a significant mark on our basin, and the literal and figurative scars will undoubtedly shape water policy in our basin for generations.

The St. Vrain and Left Hand Water Conservancy District, with only 2 full time employees, is a small government agency by any standard, but the enthusiasm and dedication of that staff, particularly in response to the flood, was significant. Long before water had receded and first responders were finished with their heroic work, your district was behind the scenes working closely with state and federal delegates and officials to obtain technical and financial support for the recovery effort, and was instrumental in seeing multi-millions of dollars of aid and loans come to private property owners, agricultural producers, and irrigation ditch companies. Very early on the District established an e-mail communications networks that many hundreds of affected citizens turned to for information and assistance.

The St. Vrain and Left Hand Water Conservancy District Board of Directors are immensely proud of the role the District had in the recovery effort. These efforts have not gone unnoticed. On May 2, 2014, Sean Cronin, our Executive Director was presented the "Emerging Leader Award" from the Colorado Foundation for Water Education, for exemplary leadership and a demonstrated above-and-beyond commitment to water resources stewardship and education.

The flood recovery is ongoing, and though there has been much progress, there is still an immense amount of work to be done. Your District is continuing its leadership role, working with multiple agencies and many diverse groups, facilitating discussions, providing resources and expertise, to ensure the basin is rebuilt with an appreciation for its historic past and an eye on the future.

It is with great pleasure I provide you this link of the Colorado Foundation for Water Education *Headwaters*. With the District's financial support, this issue captures the stories that surround this significant event. I trust you will find the stories compelling, touching, inspiring, and perhaps even motivational. The Board of Directors is confident this issue will stand as a testament to this basins resiliency and strong community.

Sincerely,



Dennis Yanchunas
President

Sean T. Cronin | Executive Director
Phone: 303.772.4060
sean.cronin@svlhwcd.org
www.svlhwcd.org

St. Vrain & Left Hand Water Conservancy District | 9595 Nelson Road, Suite 203 | Longmont, CO 80501

Cindy Sater

From: Ken Huson
Sent: Tuesday, July 29, 2014 3:31 PM
Subject: Headwaters Magazine

Board Members,

The Colorado Foundation for Water Education produces the Headwaters Magazine, which Longmont gets as a member of the organization. We can have the organization send a copy directly to your personal address (or work address) or we can have it sent to our offices here and distribute it with the monthly packets. Not wanting to give out your address without your permission, would you please let us know if you prefer getting the magazine at your address or here and distributed with the monthly packet.

Thanks, Ken



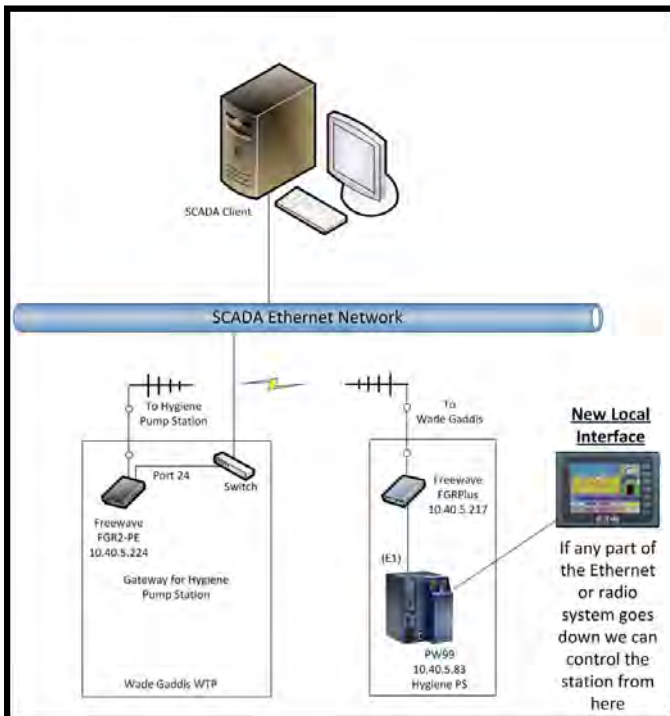
Treatment Operations

MONTHLY NEWSLETTER

Instrumentation & Controls

Local Control Additions

The city owns and maintains 3 booster pump stations that maintain water pressure in the distribution system. These systems are critical to the system as they produce pressure in zones when fire flow is needed.



The trees and foliage had grown so that we lost communications with the Hygiene Pump Station causing signal loss to where we could no longer monitor or control the pump station remotely. This pump station is setup to run without communication with the SCADA system but if there are any alarms or issues with the pumps we wouldn't be alerted to the issue and would not be able to correct the issues locally. Currently if we have a problem we operate the pump station manually which requires 24 hour coverage at the station. It just so happens that we lost communications and had an alarm at the pump station at the same time which required us to run the station in manual. Once communications were restored we were able to remedy the fault and gain automatic control of the station again.

With booster stations being of high priority to provide safety for necessary system pressure we identified the need earlier in the year to install local control interfaces at each pump station and the North Tank Reservoir control vault. The issues we experienced at Hygiene reiterated the fact that we need local control and monitoring at these critical locations. We are scheduled to begin the installation of the interfaces in August.

Contributed by Nick Ehrlich

Maintenance

Nelson-Flanders Sludge Pump Rebuild

Over time it is inevitable that equipment wears out. Such is the case for the sludge removal pumps at the Nelson-Flanders Water Treatment Plant. The parts in need of replacement for these pumps are the mechanical seals. These pumps are fitted with double mechanical seals which are used to seal in oil for cooling/lubricating purposes and seal out the sludge being pumped all the while allowing the shaft to spin. These seals are designed to wear and eventually begin to leak, which is an indication that it is time for the seals to be replaced.



While it is usually rather easy to get replacement parts for equipment, the seals for these specific sludge pumps have been phased out. With that being the case, one of the seals was sent out to be reversed

engineered and subsequently replaced. This issue was further compounded by the fact that these pumps use a unique pressurizing system to supply oil to the seals. Parts and pieces are very scarce and very overpriced, if they can even be found.

Once again the Maintenance Staff jumped to the challenge and brainstormed a way to retrofit the pumps with an oil pressurizing system. In order to facilitate the new the oil pressurizing system, stainless steel canisters were fabricated with sight glasses and nitrogen gas is being utilized to pressurize the system. With this innovative approach the sludge pumps should continue to operate without incident.



Contributed by Alex Rader

Water Treatment

Manual Operation During Maintenance

During the summer months at the Nelson-Flanders Water Treatment Plant it is essential that the plant sludge collection system works flawlessly to eliminate any sludge that could build up in the sedimentation basins due to the increased flow and higher doses of Alum.



Recently, the plant encountered a problem with basin 2B sludge pump, one of the 4 sludge pumps on the sludge collection system of the sedimentation basins. The sludge system had to be run in a manual/redundant mode for approximately

two days because of the pump failure. At first, we at the plant were unsure if this could be done, but after some input from numerous staff members a way to do this task was found. The plumbing on the system was discovered to be constructed with an interconnect which allowed us to use a working redundant pump which is typically dedicated to another basin.

To complete this non-routine procedure, manual valving and operation of the motor control is required to use the redundant pump. After using the redundant pump, one must re-valve the system back to the original setting so the other basin can pump at its designated time using the SCADA automation. The failed pump has since been restored and put back in 'Auto' and has worked fine since.

It was good to find a way to run the system in 'Manual' as this will help operations in the future if any problems occur with other pumps. It will allow staff to keep the system up and running to avoid any buildup in the basins which could cause cable failures, or early basin cleaning, especially during the high demand season.



Contributed by Mike Lee

Wastewater Treatment

A-Basin Maintenance

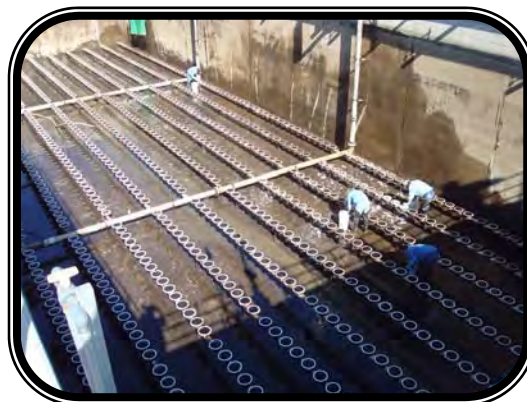
Every couple of years, during the summer, the Wastewater Treatment Plant Activated Sludge Aeration Basins need to be pumped down, inspected and maintained. Tasks include cleaning of debris that has been collecting on the bottom; tightening and scrubbing the fine bubble diffusers that provide air; inspection and adjustments of sluice gates; and general maintenance of supports, distribution manifolds and other equipment.

After weeks of reviewing procedures, planning, and setting up equipment, plant staff began dewatering Aeration Basin #1 on March 31st.



After a couple of days cleaning the walls and pipes of debris with fire hoses and pumping the tank down, operations and maintenance staff entered the basin to commence with the inspection and maintenance. Once completed, the basin was filled just below the diffusers and inspected again to make sure there was adequate air-flow for mixing and no leaks. The basin was then filled completely and put back into service.

To this date, basins 1, 2, 3 and 5 have been completed. The sluice gates on basin 4 aren't sealing properly therefore the pumps aren't able to dewater



the basin due to the significant leakage. Basin 2 was having the same issue with the sluice-gates not sealing but was resolved when a second pump was added. Basin 3 also had an issue with one of the sluice gates not sealing but maintenance devised a plan to put a tarp over the gate to divert the water. The equipment is setup to start dewatering basin 6 on August 4th. The goal is to have all seven basins cleaned, inspected, and repaired by the end of summer. This will be accomplished once the means are put into place to isolate the leaking sluice gate on basin 4 so it can be dewatered.

Contributed by Cuong Le



Project Update

TREATMENT OPERATIONS

Wastewater Treatment



Headworks Construction - The contractor continues to work towards a September 2014 completion date. Several coordination meetings have been held between the contractor and City to discuss start-up and training on systems prior to sewage being introduced to the new facility. Currently, the contractor is finishing the electrical, instrumentation and control systems. In the coming weeks, the systems will be checked and tested with and without wastewater flowing through the process. Other tasks being completed by the contractor include site work and concrete pavement installation.

Design/Build - The City received a new discharge permit in December 2011 that set new ammonia limits and a compliance schedule for meeting the new limits by November 30, 2016. The lower ammonia limits will require upgrades to the secondary treatment process. A site application amendment and engineering report was submitted and approved by the Colorado Department of Public Health and Environment (CDPHE) for a re-rated facility design capacity and the proposed improvements for secondary treatment and dewatering facilities. A design-build project delivery approach was selected.

lected by the City as the best way to deliver the project. A proposal, submitted by the Carollo/PCL Design-Build Group (CDBG), was selected by the City's evaluation team. Currently, the design is at 20% after Carollo submitted a Basis of Design Report for the City to review.

After an internal City review meeting to discuss the design report for the secondary improvements, it was decided to engage the design engineer in discussions and reset the secondary treatment design. The City was not comfortable with the amount of risk associated with the current aeration basin design. There are hydraulic, structural and process issues that need to be scrutinized more thoroughly. The City called a meeting with a few key CDBG members to discuss the City's concerns and the need to brainstorm other design options. Carollo is evaluating other treatment options at this time and we are hopeful that the project will stay on schedule. Construction is still anticipated to begin in early 2015.

Water Treatment

Settled Water Quality Process Optimization Project - After completing phase 1 40 MGD testing at NFWTP, it became clear to staff that there is room for improvement on optimizing settled water quality. The optimization of our settled water quality will become increasingly more important as production rates increase, and from varying post-flood raw water quality concerns. CH2MHILL engineers has been hired to assist Treatment Operations in completing an evaluation that looks at historical and current plant performance, as well as current process procedures.

Included in the project are two rounds of jar testing. The first round of testing occurred at the project kick-off meeting with key Treatment Operations staff in attendance. Initial jar testing experimented with different doses of Alum and Caustic, followed by testing using Alum, Soda Ash, and Polymer. There will be an additional workshop with further jar testing and training for staff members on settled water quality optimization in mid-August. A technical memorandum will be completed that summarizes the results of our water quality data, jar testing evaluation, and the impacts of post-flood water quality on treatment. It will also provide recommendations on the optimization of existing chemical addition, source water blending limits, and other chemical pretreatment options.

Additionally, this project is being led by Leanne Miller from Environmental Services. Treatment Operations and Environmental Services are trying to capitalize on opportunities where cross-disciplinary projects can be worked on by staff members in different departments in order to achieve a superior final project delivery.

Residual Ponds Possible Leak Investigation - At a post-flood engineering meeting in December 2013, Engineering Services, Treatment Operations, and Environmental Services discussed an observation from treatment operations staff at NFWTP regarding the residual ponds. Residual ponds No. 5 and No. 6 had shown a substantially decreased water level over a short period of time without any change to the pond operations. It was determined that an investigation into the potential problem needed to be performed.

Treatment Operations performed an experiment with residual ponds No. 5 and No. 6 where the ponds were filled and then isolated. Pond elevations were measured over a period of weeks and it was found that the loss in water elevation was greater than an estimated evaporation rate which took into account temperature, humidity, and wind speed among other variables. The investigation identified that additional testing needs to be performed in order to draw any firm conclusions and that further research on the regulatory implications would be necessary.





Treatment Operations

MONTHLY NEWSLETTER

Water Treatment

Montgomery Tank Bypass Automation

Moltz Construction recently completed the installation of a Rotork actuator on the 54" bypass valve at the Montgomery Tank. The automation will allow the utility to deliver the re-rated capacity of 40 million gallons per day (mgd) from the Nelson-Flanders Water Treatment Plant to the water distribution system.

The Montgomery Tank was constructed in 1968 about a year before the construction of the now decommissioned North Water Treatment Plant. At the time, the two Price Park storage reservoirs in the City provided the only storage in the water distribution system. Having a new tank near the water treatment plants was critical for the utility to provide safe and reliable water service as the City developed north and west of Price Park. As can be expected, the Montgomery Tank and its pipes were not designed to deliver 40 mgd through the tank.



The undersized Montgomery Tank effluent pipe had already been identified during the hydraulic analysis of the build-out of the water distribution system for the 2012 water master plan; however, the immediate limitation of the tank's influent piping was not recognized until the re-rating tests at Nelson-Flanders in July 2013. Combinations of higher plant effluent flow and Montgomery Tank levels backed water into the disinfection contact basin (DCB) at the plant about twenty times in one month. Higher levels in the DCB can reduce plant filter run times and even overflow the DCB if the plant effluent flow approached the re-rated capacity.

The City hired CH2M HILL to complete an analysis and provide alternatives to alleviate the undersized piping. The decision was to automate the bypass valve to limit the flow through the Montgomery Tank and prevent excessive frictional losses from backing water into the DCB. The bypass has been operating successfully for three months and there have been no further incidents of DCB surcharging.

Contributed by Jon Robb

Maintenance

Nelson-Flanders Fluoride Feeder Repairs

The operations staff was having problems controlling the fluoride feed and initiated a work order. Maintenance investigated the problem and found a bad bearing, shaft, bronze bushing and two bad seals. Materials were ordered to make the proper repairs.

While this chemical feed system was down we decided to make sure that we were placing the proper importance on this project.

Fluoride is not a state or EPA mandated chemical addition and because of this we do not have a redundant system for feeding. Our practice however is to treat all equipment of equal importance, from the trucks we drive to the tools we use.

We have been fairly diligent in having spare parts on the shelf for all of our systems with no redundancy, and many of our systems with redundancy, but were not prepared for the feeder issues. To ensure that, in the future, we have sufficient spare parts on the shelf to make necessary repairs in a timely manner we are moving forward with an assessment of our spare parts inventory for all of our chemical feed systems. Stan Heinricy has been assigned to make this assessment, which will be similar to the electrical system assessment we made in order to make sure we had critical breakers on the shelf should we have a failure.

We have had one breaker fail that left us scrambling, which precipitated the electrical system assessment. As we continually try to get better these types of assessments will

be ongoing and ultimately make us a better utility. It is a pleasure to work with staff who are always pushing each other to get better and not just maintain the status quo.



Contributed by Obern Staples

Instrumentation & Controls Sump Pump Panel Project



It's been almost a year since the flood hit Longmont last September. One of the first things we had to do at the Wastewater Treatment Plant (WWTP), once it was safe to come back, was to dewater the buildings by hauling and setting up pumps and hoses. This was a labor intensive and dirty task. It would have been nice to

just let our sump pumps do all the work, but the control panels were under water.

Since then, a lot of equipment has been replaced and/or upgraded. One of the things that we made a priority was to relocate all of our sump pump control panels to a location above ground level. Here at the WWTP we have 5 locations that have critical sumps and control panels. We evaluated these 5 locations and prioritized them by criticality and process reliability. We recently completed the first phase of this project by relocating sump pump control panels at the RAS/WAS Building, Digester 1&2 Complex, and the Mechanical Building.



In addition to relocating the control panels, we brought in additional I/O from the panels which will help standardize sump pump signals back to SCADA. The existing 480 volt pump wiring in the basements was spliced together inside a j-box using butt splice crimp lugs, heat shrink and Scotchkote. This wiring method will make the connections waterproof in the event of submersion. The new sump pump installation will remain operational if the basements ever happen to flood at a rate higher

than the pumping capacity. FEMA reimbursement for this project is being pursued.

Contributed by Mike Chacon

Wastewater Treatment Digester #2 In Service

As part of the current WWTP Design/Build construction project, samples of the wastewater plant biosolids were sent to two centrifuge manufacturers for testing, with the results being less than desirable. Typically, when biosolids are difficult to dewater, water is trapped in cell mass of the organisms within the sludge requiring further digestion to help release the water to make dewatering easier. Since Digester #2 is out of service and not being used as a pre-feed tank, a plan was developed to bring it back online as a digester.

All of the systems which needed to be working were identified and a digester operations plan was developed. Developing the operations plan was the

tricky part because we wanted to funnel all of the sludge through Digester #1 to ensure we were achieving the maximum treatment available. At the same time, we also needed to add some programming to control the transfer from Digester #2 to sludge storage.

We started the heating system for both Digester #1 and #2 with no issues. The biggest area of concern was the water seal around the digester's lid as this is what seals the methane gas within the digester. All of the components and parts were put into place. The gas system for Digester #2 was thoroughly checked and inspected before filling the digester.

On July 24th we began filling Digester #2 and found that the water seal was at the wrong level. After correcting the issue the filling process continued and was completed on August 8th.

We plan to retest the biosolids in September to evaluate if the additional digestion detention time has improved dewaterability.

Contributed by Karl Heil

